

Washington, D.C. 20505

5 September 1984

The President
The White House
Washington, D. C. 20500

Dear Mr. President:

I guess I should be amused by the current leaks from "White House insiders" that I am ready to return to private life whatever the election outcome.

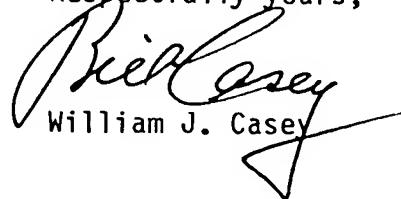
It looks like a repeat of the leaks about my departure in "Washington Whispers" and "Periscope" during the closing months of 1982. This culminated in the 17 December 1982 story by the White House correspondent for the New York Post, "CIA Boss Casey Faces Strike Three," which came out a week before a run was made for my job, as you will remember, at the end of 1982.

It seems to be starting early this time with stories in the Washington Times last week and the New York Post yesterday reporting falsely that Casey "has informed White House officials that he plans to step down at the end of the year."

The three stories are attached.

The truth is that I'm thoroughly committed and deeply immersed in what we've undertaken to do here. A copy of this note is going to senior White House officials to ask them to squash a false rumor being attributed to their people, which has set the phones ringing over here, hurts morale, and doesn't help in anything we are trying to do.

Respectfully yours,


William J. Casey

Enclosures (3)

cc: The Honorable Edwin Meese
The Honorable James Baker
The Honorable Michael Deaver

17 December 1982

CIA BOSS CASEY FACES STRIKE THREE

By NILES LATHEM
WASHINGTON — CIA Director William Casey is on the skids and is expected to be the first casualty of a reshuffle of Cabinet members and aides by President

Reagan. The Post learned last night.

White House and intelligence officials claim no formal decision has been made on any staff and cabinet changes.

But they note that the 78-year old Long Island lawyer has lost the confidence of Reagan and the all-important "old boy network" of intelligence professionals.

Among the reasons for Casey's impending departure, say the sources, are:

- "Incompetent" handling of intelligence information by agency officials.

- The apparent way the CIA's covert war against Nicaragua has gotten "out of control."

What originally was supposed to be a police action to stop the flow of arms from Nicaragua to guerrillas in El Salvador through Honduras is now on the verge of starting a full-scale war, say sources, and has enraged Secretary of State George Shultz.

- Casey never recovered from the Senate Intelligence Committee's probe of his business practices and his appointment of Max Hugel, a man with a questionable business past, as director of covert operations.

- The political fallout from Casey's demands for a CIA role in domestic spying in his presentation of the administration's intelligence charter to Congress.



Associated Press Photo

CIA Director William Casey may be first victim of President Reagan's reshuffle.

Casey, known as a political operative more than as an intelligence specialist, is an outsider in the Reagan circle who joined the campaign in 1980, replacing Reagan's chairman, John Sears. The CIA job was a political reward.

No successor to Casey

has been chosen so far, White House officials said.

But the opening would give Reagan an opportunity to put an end to the war between his top advisers, chief of staff James Baker and counselor Edwin Meese. Baker is known to covet the top CIA job.

ARTICLE APPEARED
ON PAGE A-4WASHINGTON TIMES
30 August 1984

Five being considered for Casey's CIA job

THE WASHINGTON TIMES

The Reagan White House has begun assembling a list of possible successors for Central Intelligence Agency director William J. Casey who reportedly has made known his intention to leave government service in January.

Well-placed administration officials said there are at least five names on the informal list of individuals who will be considered for the cabinet-rank CIA post if Mr. Casey makes a final decision to return to private life.

Three of those being considered to take over the CIA are White House chief of staff James A. Baker III; national security advisor to the president, Robert C. McFarlane; and Laurence Silberman, former Justice Department official who also served as former ambassador to Yugoslavia and a senior transition official for President Reagan after his 1980 election victory.

All this, of course, is contingent on President Reagan being re-elected in November. Mr. Casey, now 71, would be replaced as a matter of course in event of a victory by Democratic candidate Walter F. Mondale, but White House insiders say he is ready to return to private life no matter what the election outcome.

The scenario of potential successors to the CIA directorship sets up a fascinating array of domino effects within a second Reagan term. If Mr. Baker is nominated to replace Mr. Casey, or to some other cabinet post such as Treasury secretary or attorney general, Mr. Reagan would be faced with finding a new chief of staff. Insiders at the White House are quietly speculating that the president might elevate deputy chief of staff Michael K. Deaver to replace Mr. Baker, but they also say that dedicated conservatives would prefer Secretary

of the Interior William P. Clark for the second most powerful job in the inner circle.

There is plenty of reason to suppose that Nancy Reagan, who likes both Mr. Deaver and Mr. Clark, might have the prevailing influence on whoever is chosen as staff chief. Mr. Deaver, who is not expected to remain in a second administration for any longer than a year, and Mr. Clark have been at odds for more than a year and at one stage were not even speaking.

If Bud McFarlane is tapped for the CIA job, the possibility arises that President Reagan might ask United Nations Ambassador Jeane Kirkpatrick to take over direction of the National Security Council. Mr. McFarlane's deputy, Rear Adm. John Poindexter, has been assigned to the security council for most of the past four years. If Mr. McFarlane remains at the NSC, it is speculated that

he would replace Admiral Poindexter with Donald Fortier, now in charge of political and military affairs there.

Mr. Silberman, 48, is now an executive of the Crocker National Bank in San Francisco and has had wide experience in Washington law firms, at the Justice Department and as under secretary of labor. He is a no-nonsense, tough-talking individual who was an influential factor in the Reagan transition team.

Mr. Casey has been repeatedly involved in controversy since he managed Mr. Reagan's 1980 campaign and took over the CIA with a determination to keep both himself and the agency out of the news. The former World War II Office of Strategic Services (predecessor to the CIA) operative got into trouble with Congress for failing to disclose all his financial holdings.

— Walter Andrews
and Jeremiah O'Leary

NEW YORK POST
4 September 1984

FILE ONLY -JCI

INSIDE WASHINGTON



BY NILES LATHEM

CIA BOSS CASEY TURNING IN HIS CLOAK & DAGGER

CIA Director William Casey has informed senior White House officials that he plans to step down at the end of the year — even if his close friend Ronald Reagan wins reelection.

The 71-year-old Long Island lawyer, who has become one of the most influential voices on national security policy, apparently said his reasons for leaving are simply that he wants to return to private life.

To hard-liners in the administration and Congress, Casey's departure from the government will be a big loss.

Casey, they say, energized an agency that was still reeling from the scandals of the early 1970s and improved its ability to give accurate predictions — especially where the Soviet Union is concerned.

As moderates in the White House and Congress see it, the administration will be losing a "cowboy" who has launched some overly risky operations — like the mining of Nicaraguan harbors.

News of Casey's departure has set off a new round of byzantine intrigue and maneuvering within the White House.

Insiders say there are at least three big names on the list of Casey's successors. They include White House chief of staff James Baker, National Security Adviser Robert McFarlane and former Ambassador to Yugoslavia Laurence Silberman.

The possibility of McFarlane or Baker heading the CIA is especially intriguing since it would set off a huge game of musical chairs inside the White House.

If McFarlane, who does not have the clout that his predecessors have enjoyed, gets CIA, then feisty UN Ambassador Jeane Kirkpatrick would be the leading candidate for the powerful national security job.

And senior White House aide Richard Darman is believed to be angling for Kirkpatrick's UN job.

Maneuvering is already taking place for the all-powerful job of White House chief of staff since Baker has made clear he wants out of the White House war zone.

Three powerful officials — White House aide Michael Deaver, Interior Secretary William Clark and senior Reagan campaign aide Drew Lewis — are already battling for Baker's post.

But many insiders are betting on Silberman, an experienced lawyer, Reagan transition team hand and former Justice Dept. official who now heads the Crocker National Bank in San Francisco.

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